



Bulk Disbursement Solutions

With HSBC's Bulk Disbursement Solution execute your bulk dividend payments in a smooth and seamless manner. We have a dedicated operations services team to facilitate bulk disbursements.

Benefits

- One-stop comprehensive bulk disbursement solution for the dividend disbursement
- Capability to handle large volumes
- Comprehensive coverage through our branch network and correspondent bank branches
- Timely and accurate reconciliation and information flows
- Dedicated teams to handle the client's disbursements and to facilitate efficient investor service

Key Features

Dividend Warrants

- Dividend warrants (with an upper limit of ₹100,000) will be payable at par at HSBC locations
- For investors residing at non-HSBC branch locations, we provide correspondent bank warrants (with an upper limit of ₹25,000) at 400 locations
- For dividend payments of value greater than ₹100,000 at HSBC branch locations and ₹25,000 at our correspondent bank locations, we would be providing Demand Drafts/Cashier Orders payable at the investor's location. Our Demand Drafts/Cashier Order payments cover over 9,000 locations in India
- Cashier Orders against warrants payable at HSBC branch locations will be issued within 24 hours of receiving the request. The turnaround time for Demand Drafts will be 48 hours

National Automated Clearing House (NACH)

- The NACH platform, owned and operated by the National Payments Corporation of India, currently has over 600 banks participating in NACH Credit settlement. NACH Credit is a bulk disbursement solution offer same day settlement and returns with enhanced reporting
- In the event of NACH returns/rejects, Cashier Orders and Demand Drafts can be issued within 2 working days from the date of receipt of return/reject information

Demand Drafts for investors at remote locations and FCY Demand Drafts

- HSBC has an arrangement for providing Demand Drafts payable at remote locations foreign currency drafts and foreign currency remittances can also be facilitated for the client's overseas investors/promoters

MIS and Reconciliation Reports

- Monthly reconciliation and paid/unpaid reports will be provided for the first 6 months of the dividend deal
- A final reconciliation report will be provided within 15 days of expiry of validity of the warrant
- Post such final reconciliation, a quarterly reconciliation will be provided for the remaining period of the warrant deal
- In addition, our Client Services team will provide balance confirmations, as and when requests are received from the client

Security and Risk Control

Security and fraud control are critical for any successful bulk disbursement solution. HSBC offers unparalleled controls to minimise the risks

- Online Validation of Warrants
HSBC has online validation of warrants at all branches and at select correspondent bank locations. This will enable us to validate the warrants before honouring the same as against post facto validations prevailing in the market.
- Cap on Warrants
HSBC will set a cap on the warrant amount based on mutual discussion with the client. For amounts exceeding the cap Cashier Order or Demand Drafts will be issued. This will ensure that the risk is limited to the cap amount.
- Tamper Proof Taping of Warrants
HSBC will offer taping of amount and beneficiary name on the face of the warrant. This will obviate risk of fraud due to change in either amount or beneficiary name
- 3 way Verification of Warrants
HSBC offer verifications in 3 stages: (i) Online validation of cheque number, amount and warrant numbers as explained above (ii) Validation of beneficiary name against the master at the time of presenting of warrants. (iii) All the above details are rechecked against the master once paid warrants are received at HSBC. If required we have the ability to return the warrants in the first two stages if instructed by the client.